

U. S. TREASURY DEPARTMENT  
Internal Revenue Service  
Washington 25, D. C.

November 10, 1955

Alcohol and Tobacco Tax Division  
Industry Circular No. 55-36

Inventories of Tobacco Materials Held by  
Manufacturers of Tobacco Products on  
January 1, 1956

Manufacturers of tobacco, cigars, and cigarettes:

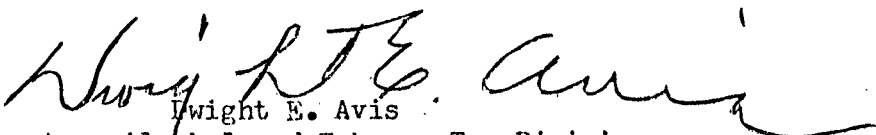
1. The purpose of this industry circular is to advise you that, under authority of Section 5721 of the Internal Revenue Code of 1954 and Sections 270.141(c) and 275.131(c) of the new regulations, 26 CFR (1954) Parts 270 and 275, it will be necessary for you to make an inventory, for each of your factories, of tobacco materials held at the beginning of business on January 1, 1956.

2. This inventory of tobacco materials shall show the quantities of (a) unstemmed leaf tobacco (to include Black Fat), (b) stemmed leaf tobacco (to include Perique), (c) tobacco in process, (d) scraps, cuttings, and clippings, (e) siftings, and (f) stems (if received or intended for use in manufacture), held at the beginning of business January 1, 1956. Report of the inventory of tobacco materials shall be made in Section I (columns (a) through (f)) of Form 2130 or 2131, as the case may be. In addition, the materials reported on such inventory shall be entered in the factory revenue record, Form 73-Part 1, Form 73-Part 2, or Form 74, as the case may be. However, in the case of Form 73-Parts 1 and 2, tobacco in process, siftings, and stems received for use in manufacture shall be included as scraps, cuttings, and clippings, and in the case of Form 74, siftings shall be included as scraps, cuttings, and clippings.

3. In the preparation of Form 2130 or 2131 for the purpose of this inventory, you should make a check mark in the special inventory block at the bottom of the form. In the declaration, above the space for your signature, you should strike out the words "manufactured tobacco, and stamps" in the case of Form 2130, and the words "cigars and cigarettes, and stamps," in the case of Form 2131.

4. The inventory on Form 2130 or 2131 shall be forwarded to the Assistant Regional Commissioner, Alcohol and Tobacco Tax, with the monthly report, Form 2134 or 2136, for December 1955 for the factory concerned.

5. Inquiries in regard to this industry circular should refer to the number thereof and should be directed to the appropriate Assistant Regional Commissioner, Alcohol and Tobacco Tax.

  
Dwight E. Avis  
Director, Alcohol and Tobacco Tax Division